GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1944
ANSWERED ON:29.11.2001
FOREIGN ASSISTANCE IN POWER DEVELOPMENT
ABDUL RASHID SHAHEEN

Will the Minister of POWER be pleased to state:

(a) whether the foreign assistance received in connection with development of power sector is not being utilized properly;

(b) if so, the amount of foreign loans and assistance received and utilized during the last three years;

(c) whether the Government are taking any action to ensure proper utilization of money received; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (d) : The Indian Power Sector receives concessional credit (loans as well asgrant) through the Word Bank, Asian Development Bank and bilateral donors.

Details of utilization of external assistance received for power projects in the country during the last three years are given below :

(Rs. crore)

Year	Budget Estimate	Revised Estimate	Actual Utilisation
1998-99	4397.06	4004.00	4012.09
1999-2000	3673.51	3138.58	3242.94
2000-2001	3505.00	3530.35	3550.26

Broad reasons for shortfall in utilization of external assistance include damage of plant and equipment by flash floods, delay in award of contracts, delay in supplies by contractors and performance guarantee tests, litigation problems etc.

For monitoring of externally aided ongoing projects in the Central and State sectors, a separate Project Monitoring Cell has been established in the Ministry of Power. On the basis of inputs given by this Cell on specific problem areas and impediments, periodic comprehensive reviews are held and corrective measures taken.